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40 Wall Street - 9th Floor
New York, New York 10005

DIVISION OF INSURANCE
STATE OF ILLINOIS/IDFPR
RECEIVED

MAR 17 2009

SPRINGFIELD, ILLINOIS

Robert Alonzo
State Filing Analyst
P & C State Filing Unit
CNA Global Specialty Lines

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March 17, 2009

GALE NEUMAN
ILLINOIS DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION
DIVISION OF INSURANCE
PROPERTY AND CASUALTY COMPLIANCE UNIT
320 W WASHINGTON ST
SPRINGFIELD IL 62767-0001

FILED

DEC 21 2009

STATE OF ILLINOIS
DEPARTMENT OF INSURANCE
SPRINGFIELD, ILLINOIS

RE: Continental Casualty Company NAIC# 20443, FEIN# 36-2114545 ✓
~~RATE/RULE~~ National Dental Program -Rate Filing
Our File # 08-R2220 REV

Dear Ms. Neuman:

On June 13, 2008 Continental Casualty Company, submitted the captioned filing for your review and approval. for use with our approved National Dental Program currently on file with your department.

Attached please find a revision to the captioned rate filing. The following revisions were made to the rate/rule filing:

- under the Territorial Definitions - Professional Liability. Madison County was moved from Remainder of State to its own territory: Territory III. Remainder of State is now Territory IV. New territorial definitions are on manual page CCC-EX-3.
- Rates - Professional Liability. The Professional Liability rates on page CCC-EX-3 are being decreased by 20% in Territory I (Cook County) and decreased by 30% in Territory II (Dupage, Kane, Lake and Will Counties) and Territory IV (Remainder of State). Those changes apply to all classes except Class IV (students). The statewide rate impact is -24.3%.

No other changes were made to rates/rule pages previously filed under filing id. # 08-R2220.

Enclose for your review please find:

- revised manual and state exception pages;
- revised actuarial memorandum;
- supporting exhibits and RF-3 form.

We propose that this filing be effective for policies written on or after March 17, 2009, or the earliest date permitted by your state.

1-0
MEM
RAT
gln
Jeh

If you should need additional information, please feel free to contact me.

Sincerely,
Robert Alonzo
Robert Alonzo
State Filing Analyst

Neuman, Gayle

From: Alonzo, Robert A. [Robert.Alonzo@CNA.com]
Sent: Tuesday, March 17, 2009 11:13 AM
To: Neuman, Gayle
Subject: Continental Casualty Company - National Dental Program - Filing #08-R2220 Revision
Attachments: IL 08-R2220 Rates Revision Cover let .doc; ActuarialMemo-IL - PL Rate Decrease.doc; IL Dental Supporting Exhibits.pdf; IL State Pages 0309.doc; IL RF-3.doc

Ms. Neuman,

We would like to make further changes to our Dental Program, attach please find revised documents.

Thank you,

Robert Alonzo

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3/17/2009

SUMMARY SHEET

Change in Company's premium or rate level produced by rate revision effective

-16.2%

(1) Coverage	(2) Annual Premium Volume (Illinois)*	(3) Percent Change (+ or -)**
1. Automobile Liability Private Passenger Commercial	0	
2. Automobile Physical Damage Private Passenger Commercial	0	
3. Liability Other Than Auto	590,968	-21.9%
4. Burglary and Theft	0	
5. Glass	0	
6. Fidelity	0	
7. Surety	0	
8. Boiler and Machinery	0	
9. Fire	0	
10. Extended Coverage	0	
11. Inland Marine	0	
12. Homeowners	0	
13. Commercial Multi-Peril	209,069	0.0%
14. Crop Hail	0	
15. Other	0	
Line of Insurance		

Does filing only apply to certain territory (territories) or certain classes? If so, specify: No

Brief description of filing. (If filing follows rates of an advisory organization, specify organization): With this filing, Continental Casualty Company ("CNA") proposes a number of rate/rule changes to its Dental Professional Program. The changes are itemized by coverage in the enclosed actuarial memorandum.

*Adjusted to reflect all prior rate changes.

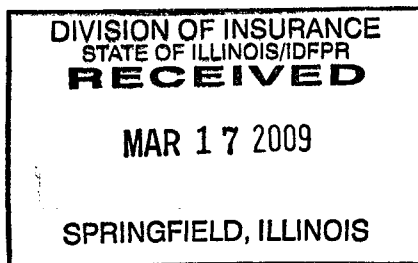
**Change in Company's premium level which will result from application of new rates.

Continental Casualty Company

Name of Company

Robert Alonzo - State Filing Analyst

Official - Title



ILLINOIS DEPARTMENT OF INSURANCE

SUMMARY SHEET

Change in Company's premium or rate level produced by rate revision effective 3/17/2009

(1) Coverage	(2) Annual Premium Volume (Illinois)*	(3) Percent Change (+ or -)**
1. Automobile Liability Private Passenger Commercial	0	
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11. Inland Marine	0	
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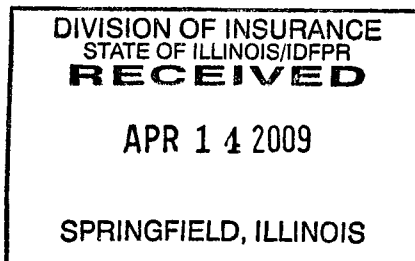
medical malpractice

*Adjusted to reflect all prior rate changes.

**Change in Company's premium level which will result from application of new rates.

Continental Casualty Company
Name of Company

Robert Alonzo - State Filing Analyst
Official -- Title



Statewide (-24.3%)

FILING #08- R2220 REV

Neuman, Gayle

From: Alonzo, Robert A. [Robert.Alonzo@CNA.com]
Sent: Thursday, April 23, 2009 2:11 PM
To: Neuman, Gayle
Subject: RE: Continental Casualty Company - Rate/Rule Filing #08-R2220 REV
Attachments: IL Certification 08-R2220 (REV) 4-22-09.pdf

Dear Ms. Neuman:

Thank you for your email dated April 21, 2009.

In response to your request here is the signed certification.

Robert Alonzo

CNA

From: Neuman, Gayle [mailto:Gayle.Neuman@illinois.gov]
Sent: Tuesday, April 21, 2009 4:11 PM
To: Alonzo, Robert A.
Subject: RE: Continental Casualty Company - Rate/Rule Filing #08-R2220 REV

Mr. Alonzo,

Thank you for the information.

I forgot that we need a certification for this filing. 215 ILCS 5/155.18 states it shall be certified in this filing by an officer of the company and a qualified actuary that the company's rates are based on sound actuarial principles and are not inconsistent with the company's experience. This information is required in every rate/rule filing for medical malpractice.

Gayle Neuman
 Division of Insurance

From: Alonzo, Robert A. [mailto:Robert.Alonzo@CNA.com]
Sent: Tuesday, April 21, 2009 12:35 PM
To: Neuman, Gayle
Subject: RE: Continental Casualty Company - Rate/Rule Filing #08-R2220 REV

Ms. Neuman,

As per your objection questions below, please note our responses:

The \$200 rate for Class XI is not listed in the state page rate table because it does not vary by state. Therefore, it is included in our countrywide pages.

Class VI is not listed in the state page rate table because it does not have a base rate. This class refers to the liability protection that corporations/partnerships can add-on to a policy to protect themselves in the event that the group is named in the lawsuit arising from the practice of a member dentist. Please reference the countrywide pages, Section II, Part B, page C CC-DENTAL-PL-3 for the rating details.

Sincerely,

Robert Alonzo

From: Neuman, Gayle [mailto:Gayle.Neuman@illinois.gov]
Sent: Monday, April 20, 2009 3:11 PM
To: Alonzo, Robert A.
Subject: Continental Casualty Company - Rate/Rule Filing #08-R2220 REV

Mr. Alonzo,

I am continuing my review of this filing.

Why aren't there rates listed for Class VI or XI? I see that a volunteer dentist is charged \$200 annually on page CC-DENTAL-PL-3 – however the class (XI) is not listed with the others. Please explain.

We request receipt of your response by April 27, 2009.

Gayle Neuman
 Property & Casualty Compliance, Division of Insurance
 Illinois Department of Financial & Professional Regulation
 (217) 524-6497

4/23/2009

Please refer to the Property & Casualty Review C checklists before submitting any filing. The checklists can be accessed through the Division's website at idfpr.com.

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4/23/2009

ILLINOIS CERTIFICATION FOR
MEDICAL MALPRACTICE RATES

(215 ILCS 5/155.18)(3) states that medical liability rates shall be certified in such filing by an officer of the company and a qualified actuary that the company's rates are based on sound actuarial principles and are not inconsistent with the company's experience.

I, DEBI ARDERN, a duly authorized officer of Continental Casualty Company, am authorized to certify on behalf of the company making this filing that the company's rates are based on sound actuarial principles and are not inconsistent with the company's experience and that I am knowledgeable of the laws, regulations and bulletins applicable to the policy rates that are subject to this filing.

I, DEBI ARDERN, a duly authorized actuary of Continental Casualty Company, am authorized to certify on behalf of Continental Casualty Company making this filing that the company's rates are based on sound actuarial principles and are not inconsistent with the company's experience and that I am knowledgeable of the laws, regulations and bulletins applicable to the policy rates that are subject to this filing.

Debi Arder
Signature and Title of Authorized Insurance Company Officer

4/22/09
Date

Debi Arder
Signature and Title of Authorized Actuary

4/22/09
Date

Insurance Company FEIN 36 - 2114545

Filing Number 08-R2220

Insurer's Address 40 Wall Street - 9th Fl

City New York, State NY Zip Code 10005

Contact Person's:

- Name and E-mail Robert Alonzo robert.alonzo@cna.com

- Direct Telephone and Fax Number 212-440-3478 Fax 212-440-2877

Neuman, Gayle

From: Alonzo, Robert A. [Robert.Alonzo@CNA.com]
Sent: Tuesday, April 14, 2009 2:19 PM
To: Alonzo, Robert A.; Neuman, Gayle
Subject: RE: Continental Casualty Company - National Dental Program - Filing #08-R2220 Revision
Attachments: IL RF-3 - Rev #2 (4-09).doc

Sorry.

From: Alonzo, Robert A.
Sent: Tuesday, April 14, 2009 3:16 PM
To: 'Neuman, Gayle'
Subject: RE: Continental Casualty Company - National Dental Program - Filing #08-R2220 Revision

Attach please see revised RF-3 with the effective date section updated for filing 08-R2220 REV.

Thank you,

Robert Alonzo

From: Neuman, Gayle [mailto:Gayle.Neuman@illinois.gov]
Sent: Thursday, April 09, 2009 3:39 PM
To: Alonzo, Robert A.
Subject: FW: Continental Casualty Company - National Dental Program - Filing #08-R2220 Revision

Mr. Alonzo,

Additionally, please correct the RF-3 Summary Sheet. The effective date isn't -16.2%, but I am not sure where that figure should be placed. Thank you for your assistance.

Gayle Neuman
Division of Insurance

From: Neuman, Gayle
Sent: Thursday, April 09, 2009 2:38 PM
To: 'Alonzo, Robert A.'
Subject: RE: Continental Casualty Company - National Dental Program - Filing #08-R2220 Revision

Mr. Alonzo,

I apologize for the delay in responding to your e-mail. However, we cannot add this new material to filing #08-R2220. Therefore, we will consider this as filing #08-R2220 REV and process this as a new separate filing.

Gayle Neuman
Division of Insurance

From: Alonzo, Robert A. [mailto:Robert.Alonzo@CNA.com]
Sent: Tuesday, March 17, 2009 11:13 AM
To: Neuman, Gayle
Subject: Continental Casualty Company - National Dental Program - Filing #08-R2220 Revision

Ms. Neuman,

We would like to make further changes to our Dental Program, attach please find revised documents.

Thank you,

Robert Alonzo

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4/14/2009

Neuman, Gayle

From: Alonzo, Robert A. [Robert.Alonzo@CNA.com]
Sent: Tuesday, April 21, 2009 12:35 PM
To: Neuman, Gayle
Subject: RE: Continental Casualty Company - Rate/Rule Filing #08-R2220 REV

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Robert Alonzo

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To: Alonzo, Robert A.
Subject: Continental Casualty Company - Rate/Rule Filing #08-R2220 REV

Mr. Alonzo,

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We request receipt of your response by April 27, 2009.

Gayle Neuman
Property & Casualty Compliance, Division of Insurance
Illinois Department of Financial & Professional Regulation
(217) 524-6497

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4/21/2009

**COMPANY STATE PAGE
FOR
DENTAL PROFESSIONAL PROGRAM
CONTINENTAL CASUALTY COMPANY**

I. Amended Rules - General

A. Rule XIII is added:

Quarterly Installment Option:

The Company will offer individual insureds the option to make annual premium payments using quarterly or annual installments. When quarterly installments are selected, the following standards will apply:

- i) An initial payment of no more than 40% of the estimated total premium will be due at policy inception;
- ii) The remaining premium will be spread equally among the second, third, and fourth installments, with the maximum for such installments set at 30% of the estimated total premium, and due 3, 6, and 9 months from policy inception, respectively;
- iii) Installment charges or fees of no more than 1% of the total premium or \$25.00, whichever is less, will be assessed;
- iv) Availability will be subject to a minimum annual premium of \$500; and
- v) Quarterly installments will not be available for premium for any extension of a reporting period.
- vi) There will be no interest charges;
- vii) Any additional premium resulting from changes to policy, mid-term, shall be spread equally over the remaining installments, if any. If there are no remaining installments, additional premium resulting from changes to a policy may be billed immediately as a separate transaction

II. Amended Rules - General Liability (GL)

Reserved for future use.

**COMPANY STATE PAGE
FOR
DENTAL PROFESSIONAL PROGRAM
CONTINENTAL CASUALTY COMPANY**

IV. Amended Rules – Professional Liability (PL)

- A. Rule V, SUPPLEMENTAL MODIFICATIONS-PROFESSIONAL LIABILITY, C., Experience Rating, is deleted and replaced by the following:

C. Experience Rating

Experience period: 5 years preceding the forthcoming policy year.

Application of Experience debit:

	<u>Debit</u>
No claims during the experience period:	0%
One claim during the experience period:	
that occurred in the 5 th previous year:	5%
that occurred in the 4 th previous year:	10%
that occurred in the 3 rd previous year:	15%
that occurred in the 2 nd previous year:	20%
that occurred in the 1 st previous year:	25%
More than one claim during the experience period:	Refer to Company

A claim is defined as paid indemnity or indemnity reserve in excess of \$2,000.

Such debits developed in accordance with the above shall apply on a one year basis and will be subject to annual review.

- B. Rule VIII., EXTENDED REPORTING PERIOD COVERAGE, A.9., is amended to read as follows:

The factors in the following Table shall be applied to the annual premium in effect at the expiration of the most recent claims-made policy period.

- C. Rule X., LOCATION OF PRACTICE is amended to delete the following sentence:

We will charge the higher rate if there is multi-state exposure.

- D. Rule VIII., EXTENDED REPORTING PERIOD COVERAGE, A.1., is deleted and replaced as follows:

The limits of liability stated under this policy at the time of termination, death, disability, or retirement will be the limits of liability applying to the extended reporting period.

- E. Rule VIII., EXTENDED REPORTING PERIOD COVERAGE, A.4., applies to Employment Practices Liability Defense Only and Indemnity & Defense coverage.

- F. Rule VIII., EXTENDED REPORTING PERIOD COVERAGE, A.5., applies to Employment Practices Liability Defense Only and Indemnity & Defense coverage. The number of consecutive years of insurance with CNA is based on the number of consecutive years of Professional Liability insurance with CNA.

**COMPANY STATE PAGE
FOR
DENTAL PROFESSIONAL PROGRAM

CONTINENTAL CASUALTY COMPANY**

V. Territorial Definitions – Professional Liability (PL)

Territory I: Cook County
 Territory II: Dupage, Kane, Lake and Will Counties
 Territory III: Madison County
 Territory IV: Remainder of State

VI. Rates – Professional Liability (PL)**A. Professional Liability****Occurrence Rates at \$1M/\$1M Limits**

Class	Terr I	Terr II	Terr III	Terr IV
I	\$3,236	\$2,081	\$2,825	\$1,978
III	17,647	11,350	15,411	10,788
IV	200	200	200	200
IX	11,325	7,284	9,889	6,922
X	22,649	14,566	19,778	13,845

B. Employment Practices Liability – Defense Only

The annual charge for this coverage will be \$60 per each named insured having separate \$25,000 limits of liability.

Corporations will share the \$25,000 limits of liability with the named insured, unless specifically requesting separate limits. Separate limits will be subject to the \$60 charge.

Note: The required coverage and associated charge are waived when the insured purchases the EPL Indemnity & Defense Coverage as the rates below already contemplate the \$60 defense charge.

Employment Practices Liability – Indemnity & Defense

The annual charge for this coverage is per each named insured having separate limits of liability. The following table is used to calculate the rate:

Combined Indemnity & Defense Limit of Liability	Flat Rate for First 10 Employees
\$ 25,000	\$ 235
\$ 50,000	\$ 270
\$ 75,000	\$ 305
\$100,000	\$ 355
\$250,000	\$ 494
\$500,000	\$ 586
\$750,000	\$ 622
\$1,000,000	\$ 657

\$20 per employee over the first 10 employees.

**COMPANY STATE PAGE
FOR
DENTAL PROFESSIONAL PROGRAM

CONTINENTAL CASUALTY COMPANY**

Corporations will share the limits of liability with the named insured, unless specifically requesting separate limits. Separate limits will be subject to the rates listed in the table above.

C. Extended Reporting Period Coverage for Employment Practices Liability

Defense Only Coverage and Indemnity & Defense Coverage

A factor of 0.75 will be applied to the EPL rate.

Defense Only Coverage when converting to an Indemnity & Defense Coverage

No charge.

VII. Amended Rules - Property

- A. Illinois Public Act 84-1032 requires a Mine Subsidence Insurance Program for coverage on structures for loss caused by mine subsidence.

"Structure" means a dwelling, building or fixture permanently affixed to real property.

1. Eligibility

- a. Coverage must be provided, unless waived in writing, for direct loss to structures located in the following counties:

Bond	Jackson	Marshall	St. Clair
Bureau	Jefferson	Menard	Saline
Christian	Knox	Mercer	Sangamon
Clinton	LaSalle	Montgomery	Tazewell
Douglas	Logan	Peoria	Vermilion
Franklin	McDonough	Perr	Washington
Fulton	Macoupin	Putnam	Williamson
Gallatin	Madison	Randolph	
Grundy	Marion	Rock Island	

- b. Coverage must be provided in other counties if requested.

2. Ineligibility

The following are not eligible:

- a. Blanket Practice Personal Property Coverage, except to the extent that improvements and betterments would be considered structures;
- b. Coverage for Time element loss;
- c. Limits of Liability in excess of \$350,000, which is the maximum amount reinsured by the Illinois Mine Subsidence Fund.

**COMPANY STATE PAGE
FOR
DENTAL PROFESSIONAL PROGRAM
CONTINENTAL CASUALTY COMPANY**

3. Premiums

- a. Premium for Mine Subsidence shall be shown separately.
- b. Annual premiums per structure are as follows:

<u>Coverage Limit</u>	<u>Frame</u>	<u>Other than Frame*</u>
\$10,000 or less	\$20.00	\$26.00
10,001 to 20,000	23.00	30.00
20,001 to 30,000	26.00	33.00
30,001 to 40,000	30.00	36.00
40,001 to 50,000	33.00	40.00
50,001 to 60,000	36.00	43.00
60,001 to 70,000	40.00	46.00
70,001 to 80,000	43.00	50.00
80,001 to 90,000	46.00	53.00
90,001 to 100,000	50.00	56.00
100,001 to 110,000	53.00	59.00
110,001 to 120,000	56.00	63.00
120,001 to 130,000	59.00	66.00
130,001 to 140,000	63.00	69.00
140,001 to 150,000	66.00	73.00
150,001 to 160,000	69.00	76.00
160,001 to 170,000	73.00	79.00
170,001 to 180,000	76.00	83.00
180,001 to 190,000	79.00	86.00
190,001 to 200,000	83.00	89.00
200,001 to 210,000	86.00	92.00
210,001 to 220,000	89.00	96.00
220,001 to 230,000	92.00	99.00
230,001 to 240,000	96.00	102.00
240,001 to 250,000	99.00	106.00
250,001 to 260,000	102.00	109.00
260,001 to 270,000	106.00	112.00
270,001 to 280,000	109.00	116.00
280,001 to 290,000	112.00	119.00
290,001 to 300,000	116.00	122.00
300,001 to 310,000	119.00	125.00
310,001 to 320,000	122.00	129.00
320,001 to 330,000	125.00	132.00
330,001 to 340,000	129.00	135.00
340,001 to 350,000	132.00	139.00

- c. The deductible for other property perils in the policy is the applicable deductible for mine subsidence coverage.

* Any structure other than frame, this includes brick, brick veneer, steel frame, and any fire resistive construction, etc.

**COMPANY STATE PAGE
FOR
DENTAL PROFESSIONAL PROGRAM
CONTINENTAL CASUALTY COMPANY**

- B. Rule II., INDIVIDUAL RISK PREMIUM MODIFICATION PLAN, C., Rating Procedure, is amended as follows:

The total credits or debits under the following table may not exceed 40%:

- C. Additional Rule:

For "Flood" Coverage Endorsement [Form G-145161-A] we will be using the flood rates that are currently filed and approved for use under Division 5.

For Earthquake [Form G-145160-A] we will be using the ISO earthquake rates currently approved for use.

VIII. Territorial Definitions – Property

Territory I: 606XX (Chicago)
 Territory II: 607XX (Chicago - South Suburban)
 Territory III: 600XX - 604XX (Chicago North and West Suburban)
 Territory IV: 620XX and 622XX (East St. Louis)
 Territory V: 614XX, 618XX, 619XX, 623XX - 627XX (Central Illinois)
 Territory VI: Remainder of State

IX. Rates - Property

- A. Blanket Practice Personal Property:

Construction (Code)	TER I	TER II	TER III	TER IV	TER V	TER VI
Frame (1)	0.419	0.374	0.396	0.374	0.351	0.396
Joisted Masonry (2)	0.351	0.309	0.330	0.309	0.296	0.330
Non-Comb (3) or Masonry						
Non-Comb (4)	0.210	0.186	0.198	0.186	0.176	0.198
Mod Fire Res (5) or Fire Res (6)	0.210	0.186	0.198	0.186	0.176	0.198

- B. Building:

Construction (Code)	TER I	TER II	TER III	TER IV	TER V	TER VI
Frame (1)	0.165	0.149	0.157	0.149	0.140	0.157
Joisted Masonry (2)	0.140	0.124	0.132	0.124	0.116	0.132
Non-Comb (3) or Masonry						
Non-Comb (4)	0.083	0.075	0.083	0.075	0.066	0.083
Mod Fire Res (5) or Fire Res (6)	0.083	0.075	0.083	0.075	0.066	0.083

Note: For statistical reporting purposes, the protection class code must be included in the application.

**COMPANY STATE PAGE
FOR
DENTAL PROFESSIONAL PROGRAM
CONTINENTAL CASUALTY COMPANY**

C. Base All-Risk Load - Per Policy

There will be a base All-Risk Loading of \$65 per policy.

X. Package Discount Factors

A. Property and General Liability: 0.89
Professional Liability: 0.86

B. This factor is not applicable to:

1. Mine Subsidence
2. Base Loading for Building and Blanket Practice Personal Property

XI. Protection Class Multipliers

Protection Class	Multiplier
1	0.830
2	0.850
3	0.870
4	0.950
5	1.000
6	1.030
7	1.200
8	1.310
9	1.400
10	2.080

Continental Casualty Company
Dental Professional Program

Actuarial Memorandum
Illinois

With this filing, Continental Casualty Company ("CNA") proposes a number of changes to its Dental Professional Program in Illinois. The overall impact of these changes is -16.2%. These changes are itemized below:

Changes to the Countrywide Pages:

Volunteer Coverage

A class has been added for Volunteer Dentists. The existence of the coverage has been added to page CCC-DENTAL-GENERAL-2, CCC-DENTAL-PL-1, and CCC-DENTAL-PL-3. As this is a new class, there will be no rate impact.

Dental Radiologists

The Dental Radiologists class code has been added to Class I. The Class I rates will be used for these professionals. See page CCC-DENTAL-PL-1. As this is a new class, there will be no rate impact.

New Dentist Discount

The format of the New Dentist Discount section has changed, which has caused no change to the use of the discount. A licensed dentist who has only previously practiced in the public service sector has been added as a definition of a new dentist. See page CCC-DENTAL-PL-2. The rate impact will be negligible due to this addition.

Group Discount

A 15% discount has been added for single group practice policies issued to ten or more dentists to page CCC-DENTAL-PL-5.

Increased Limit Factor

An increased limit factor for \$2M/\$6M has been added to pages CCC-DENTAL-PL-6 and CCC-DENTAL-GL-1. Since these limits are being offered in addition to our other limits, there will be no rate impact.

Consulting Service Liability

The charge for the Consulting Service Liability coverage has been removed. (CCC-DENTAL-PL-9)
The rate impact will be negligible due to this subtraction.

Special Events Endorsement

The charge for the Special Events Endorsement has been removed. See pages CCC-DENTAL-PL-3 and CCC-DENTAL-GL-1. The rate impact will be negligible due to this subtraction.

Per Location General Liability Limit

The ability to buy aggregate limits per location has been added. Previously, insureds were only able to buy aggregate limits for all locations. Since the limit is being offered in addition to the aggregate limit for all locations, there will be no rate impact. (CCC-DENTAL-GL-1)

ERISA rates

Increased limits have been added for the ERISA coverage. The \$500K and \$1M rates are based off of our CNA Connect rates, and the \$250K and \$750K rates are interpolated using an exponential curve. The change is reflected on page CCC-DENTAL-GL-2. There will be no rate impact since these are new limits.

Fire/Water Legal Liability

Additional Limits are added for Fire and Water Legal Liability coverage based on the rates for CNA's Long Term Care coverage. Since these limits are being offered in addition to our basic limit, there will be no rate impact. See page CCC-DENTAL-GL-2.

Business Income Waiting Period

The option of eliminating the 24 hour waiting period for Business Income average has been added. See page CCC-DENTAL-PROPERTY-2. Because this is a new option, there will be no rate impact.

Business Income Limit

The ability to remove the \$1M limit for Business Income coverage has been added to page CCC-DENTAL-PROPERTY-2. Because this is a new coverage, there will be no rate impact.

Employee Dishonesty

The limit of liability for Pension and Welfare coverage has been increased from \$15,000 to \$25,000 at no additional charge. See page CCC-DENTAL-PROPERTY-3.

Ordinance or Law Tenant Improvements or Betterments

Coverage has been added for Ordinance or Law Tenant Improvements or Betterments to page CCC-DENTAL-PROPERTY-3. Because there is no charge, and this is a new coverage, there will be no rate impact.

Back of Sewer or Drain Coverage

Rates were adopted from CNA's Business Owners Package Policy. As this is a new coverage, there is no rate impact. See page CCC-DENTAL-PROPERTY-4.

Changes to the State Pages:

Territorial Definitions – Professional Liability

Madison County was moved from Remainder of State to its own territory: Territory III. Remainder of State is now Territory IV. New territorial definitions are on page CCC-EX-3.

Rates – Professional Liability

The Professional Liability rates on page CCC-EX-3 are being decreased by 20% in Territory I (Cook County) and decreased by 30% in Territory II (Dupage, Kane, Lake and Will Counties) and Territory IV (Remainder of State). Those changes apply to all classes except Class IV (students). The statewide rate impact is -24.3%. More information regarding this change can be found in the included Supporting Actuarial Exhibits.

Revised versions of the countrywide manual pages as well as revised state exception pages, reflecting the changes outlined above are included with this submission.

OVERALL PREMIUM LEVEL CHANGE

Illinois

Coverage	In-Force Premium @ 2/28/2009	Selected Rate Change	Expected Change in Premium [2]x[3]
[1]	[2]	[3]	[4]
Professional Liability	533,231	-24.3%	(129,587)
Property	209,069	0.0%	0
General Liability	57,737	0.0%	0
Total/Avg	800,037	-16.2%	(129,587)

INDICATED & SELECTED RATE CHANGE
Professional Liability
Illinois

Notice Year	Current Level Earned Premium	Selected Ultimate Indemnity at \$250K Limit	Large Loss Load	Total Ultimate Indemnity	Loss Cost Trend Factor	Selected Ultimate ALAE	ALAE Trend Factor	Trended Ultimate Loss & ALAE	On-Level Loss & ALAE Ratio
[1]	[a]	[b]	[b]	[3]+[4]	[b]	[b]	[b]	[5]x[6]+[7]x[8]	[9]/[2]
[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]
1998	2,526,688	492,524	39,836	532,360	0.778	582,920	1.070	1,037,863	41.1%
1999	2,381,406	744,311	144,975	889,286	0.833	759,214	1.059	1,544,657	64.9%
2000	2,188,288	430,250	72,093	502,343	0.892	374,422	1.047	840,429	38.4%
2001	2,130,911	103,221	21,905	125,126	0.956	237,665	1.036	365,867	17.2%
2002	1,745,918	204,297	48,147	252,444	1.024	221,698	1.025	485,700	27.8%
2003	1,022,781	62,000	10,547	72,547	1.096	126,525	1.014	207,873	20.3%
2004	663,547	1,281	179	1,460	1.354	15,422	1.326	22,422	3.4%
2005	618,560	68,237	4,577	72,814	1.287	83,672	1.265	199,546	32.3%
2006	609,286	5,326	1,110	6,436	1.224	12,281	1.207	22,696	3.7%
2007	607,978	52,872	6,602	59,474	1.163	8,733	1.151	79,251	13.0%
Total/Avg	14,495,363	2,164,320	349,972	2,514,292		2,422,551		4,806,303	33.2%

On-Level Loss & ALAE Ratio

[11] Selected Loss & ALAE Ratio at Manual Rates [c]	34.5%
[12] Average Discretionary Premium Modification Factor	0.898
[13] Expected Loss & ALAE Ratio [[11] / [12]]	38.4%

Adjusted Loss & ALAE Ratio

[14] Number of Claims needed for Full Credibility [b]	150
[15] Ultimate Number of Incurred Claims [b]	199
[16] Credibility [SQRT([15] / [14]), capped at 100%]	100.0%
[17] Countrywide Expected Loss & ALAE Ratio [d]	50.2%
[18] Credibility-Weighted Loss & ALAE Ratio [[16] x [13] + {1 - [16]} x [17]]	38.4%
[19] Average Credibility-Weighted Loss & ALAE Ratio for All States*	44.2%
[20] Illinois Loss Ratio Relativity [[18] / [19]]	0.869
[21] Illinois Adjusted Loss & ALAE Ratio [[17] x [20]]	43.6%

Selected Rate Change

[22] Permissible Loss & ALAE Ratio [e]	64.1%
[23] Indicated Rate Change [[21] / [22] - 1]	-32.0%
[24] Selected Rate Change [c]	-24.3%

NOTES

- [a] Based on individual policies re-rated at current rates.
- [b] From CNA Rate Review as of June 30, 2008.
- [c] Judgmentally selected.
- [d] From Exhibit II, Sheet 2, Line [18].
- [e] From Exhibit II, Sheet 3, Line [8].
- * Excluding California, Massachusetts, Texas, and Virginia.

OVERALL PREMIUM LEVEL CHANGE

Illinois

Coverage	In-Force Premium @ 2/28/2009	Selected Rate Change	Expected Change in Premium [2]x[3]
[1]	[2]	[3]	[4]
Professional Liability	533,231	-24.3%	(129,587)
Property	209,069	0.0%	0
General Liability	57,737	0.0%	0
Total/Avg	800,037	-16.2%	(129,587)

COUNTRYWIDE* ON-LEVEL LOSS & ALAE RATI

Professional Liability

Amounts in \$000's

Notice Year	Current Level Earned Premium	Selected Ultimate Indemnity at \$250K Limit	Large Loss Load	Total Ultimate Indemnity	Loss Cost Trend Factor	Selected Ultimate ALAE	ALAE Trend Factor	Trended Ultimate Loss & ALAE	On-Level Loss & ALAE Ratio
[1]	[a]	[b]	[b]	[3]+[4]	[b]	[b]	[b]	(5)x(6)+[7]x(8)	[9]/[2]
[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]
1998	55,267	16,793	1,358	18,151	0.778	10,510	1.070	25,366	45.9%
1999	53,894	14,221	2,770	16,991	0.833	8,988	1.059	23,672	43.9%
2000	48,965	12,732	2,133	14,866	0.892	9,814	1.047	23,545	48.1%
2001	45,607	12,668	2,688	15,357	0.956	9,407	1.036	24,425	53.6%
2002	42,929	9,642	2,272	11,914	1.024	7,359	1.025	19,740	46.0%
2003	41,740	9,899	1,684	11,584	1.096	7,260	1.014	20,064	48.1%
2004	41,163	7,890	1,105	8,995	1.354	6,163	1.326	20,348	49.4%
2005	41,109	6,596	442	7,038	1.287	5,567	1.265	16,099	39.2%
2006	41,028	7,958	1,658	9,616	1.224	6,965	1.207	20,172	49.2%
2007	42,547	8,028	1,002	9,030	1.163	7,769	1.151	19,450	45.7%
Total/Avg	454,248	106,427	17,114	123,542		79,802		212,881	46.9%

Average On-Level Loss & ALAE Ratio

[11] All Years - Excl. High & Low	46.9%
[12] 7-Year Average: 2000 to 2007 - Excl. 2005	48.6%
[13] 6-Year Average: 2000 to 2006 - Excl. 2005	49.1%
[14] 5-Year Average: 2002 to 2007 - Excl. 2005	47.6%
[15] 4-Year Average: 2002 to 2006 - Excl. 2005	48.1%

Expected Loss & ALAE Rati

[16] Selected Loss & ALAE Ratio at Manual Rates [c]	48.1%
[17] Average Discretionary Premium Modification Factor	0.960
[18] Countrywide Expected Loss & ALAE Ratio [(16)/(17)]	50.2%

NOTES

- [a] Based on individual policies re-rated at current rates.
 [b] From CNA Rate Review as of June 30, 2008.
 [c] Judgmentally selected.
 * Excluding California, Massachusetts, Texas, and Virginia.

EXPENSE PROVISIONS & PERMISSIBLE LOSS RATIO
Professional Liability
Illinois

Premium Expenses

[1] Fixed Expense Ratio	5.1%
[2] Commission Rate	23.6%
[3] Premium Tax	0.5%
[4] Total Premium Expense Ratio [[1] + [2] + [3]]	29.2%

Permissible Loss Ratio

[5] Underwriting Profit Provision [a]	0.7%
[6] Permissible Loss & LAE Ratio [1 - [4] - [5]]	70.1%
[7] ULAE (as a % of Loss & ALAE)	9.3%
[8] Permissible Loss & ALAE Ratio [[6] / {1 + [7]}]	64.1%

NOTES

[a] From CNA Rate Review as of June 30, 2008.

COUNTRYWIDE* ON-LEVEL LOSS & ALAE RATI

Professional Liability

Amounts in \$000's

Notice Year	Current Level Earned Premium	Selected Ultimate Indemnity at \$250K Limit	Large Loss Load	Total Ultimate Indemnity	Loss Cost Trend Factor	Selected Ultimate ALAE	ALAE Trend Factor	Trended Ultimate Loss & ALAE	On-Level Loss & ALAE Ratio
[1]	[a]	[b]	[b]	[3]+[4]	[b]	[b]	[b]	[5]x[6]+[7]x[8]	[9]/[2]
[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]
1998	55,267	16,793	1,358	18,151	0.778	10,510	1.070	25,366	45.9%
1999	53,894	14,221	2,770	16,991	0.833	8,988	1.059	23,672	43.9%
2000	48,965	12,732	2,133	14,866	0.892	9,814	1.047	23,545	48.1%
2001	45,607	12,668	2,688	15,357	0.956	9,407	1.036	24,425	53.6%
2002	42,929	9,642	2,272	11,914	1.024	7,359	1.025	19,740	46.0%
2003	41,740	9,899	1,684	11,584	1.096	7,260	1.014	20,064	48.1%
2004	41,163	7,890	1,105	8,995	1.354	6,163	1.326	20,348	49.4%
2005	41,109	6,596	442	7,038	1.287	5,567	1.265	16,099	39.2%
2006	41,028	7,958	1,658	9,616	1.224	6,965	1.207	20,172	49.2%
2007	42,547	8,028	1,002	9,030	1.163	7,769	1.151	19,450	45.7%
Total/Avg	454,248	106,427	17,114	123,542		79,802		212,881	46.9%

Average On-Level Loss & ALAE Ratio

[11] All Years - Excl. High & Low	46.9%
[12] 7-Year Average: 2000 to 2007 - Excl. 2005	48.6%
[13] 6-Year Average: 2000 to 2006 - Excl. 2005	49.1%
[14] 5-Year Average: 2002 to 2007 - Excl. 2005	47.6%
[15] 4-Year Average: 2002 to 2006 - Excl. 2005	48.1%

Expected Loss & ALAE Ratio

[16] Selected Loss & ALAE Ratio at Manual Rates [c]	48.1%
[17] Average Discretionary Premium Modification Factor	0.960
[18] Countrywide Expected Loss & ALAE Ratio [[16] / [17]]	50.2%

NOTES

- [a] Based on individual policies re-rated at current rates.
 [b] From CNA Rate Review as of June 30, 2008.
 [c] Judgmentally selected.
 * Excluding California, Massachusetts, Texas, and Virginia.